

SEPTEMBER 2018

A Look At Contingent Workers

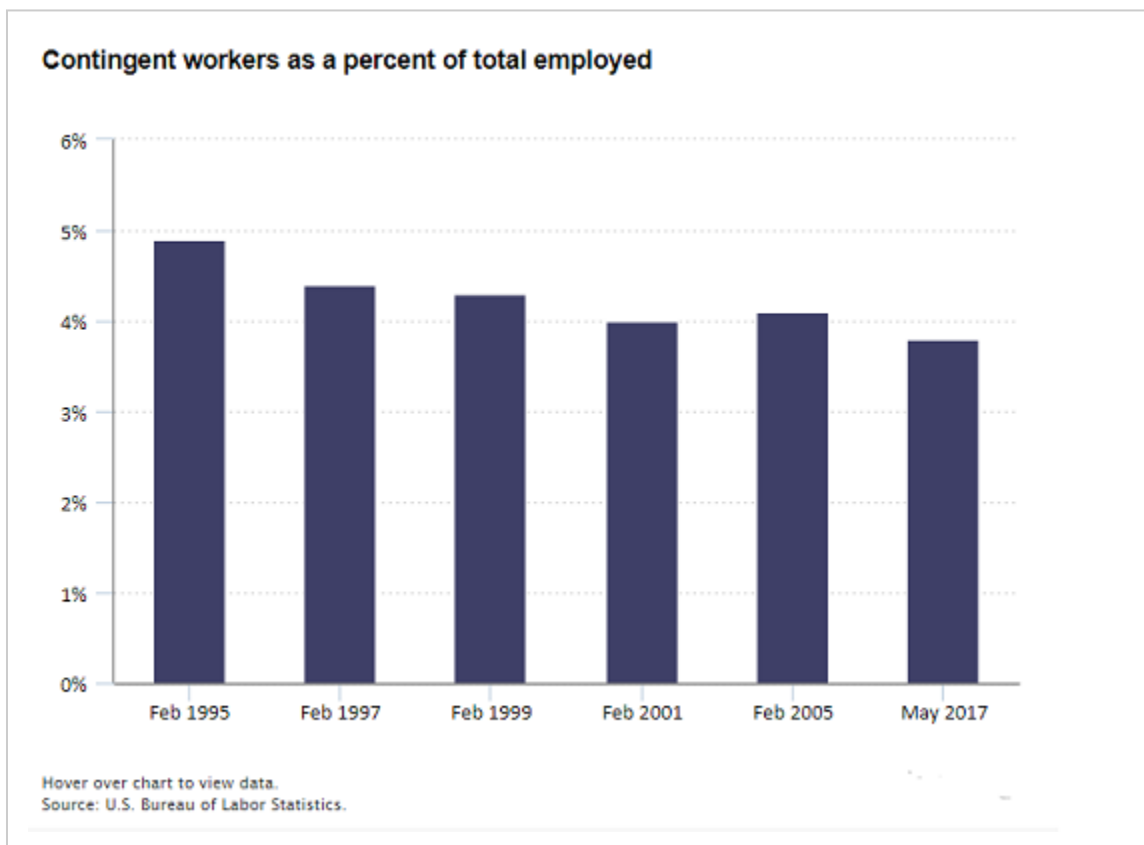
Karen Kosanovich

Contingent workers are people who do not expect their jobs to last or who report that their jobs are temporary. They do not have an implicit or explicit contract for continuing employment. People who do not expect their jobs to continue for personal reasons, such as retirement or returning to school, are not considered contingent workers.

An example might help clarify the concept of contingent work: Kaya was hired by a local company to make decorations to celebrate her town's centennial. The celebration will occur in 2 months, and then she will no longer be needed. Kaya is a contingent worker because she does not expect her job to last once the event is over. This Spotlight on Statistics looks at contingent workers in 2017.

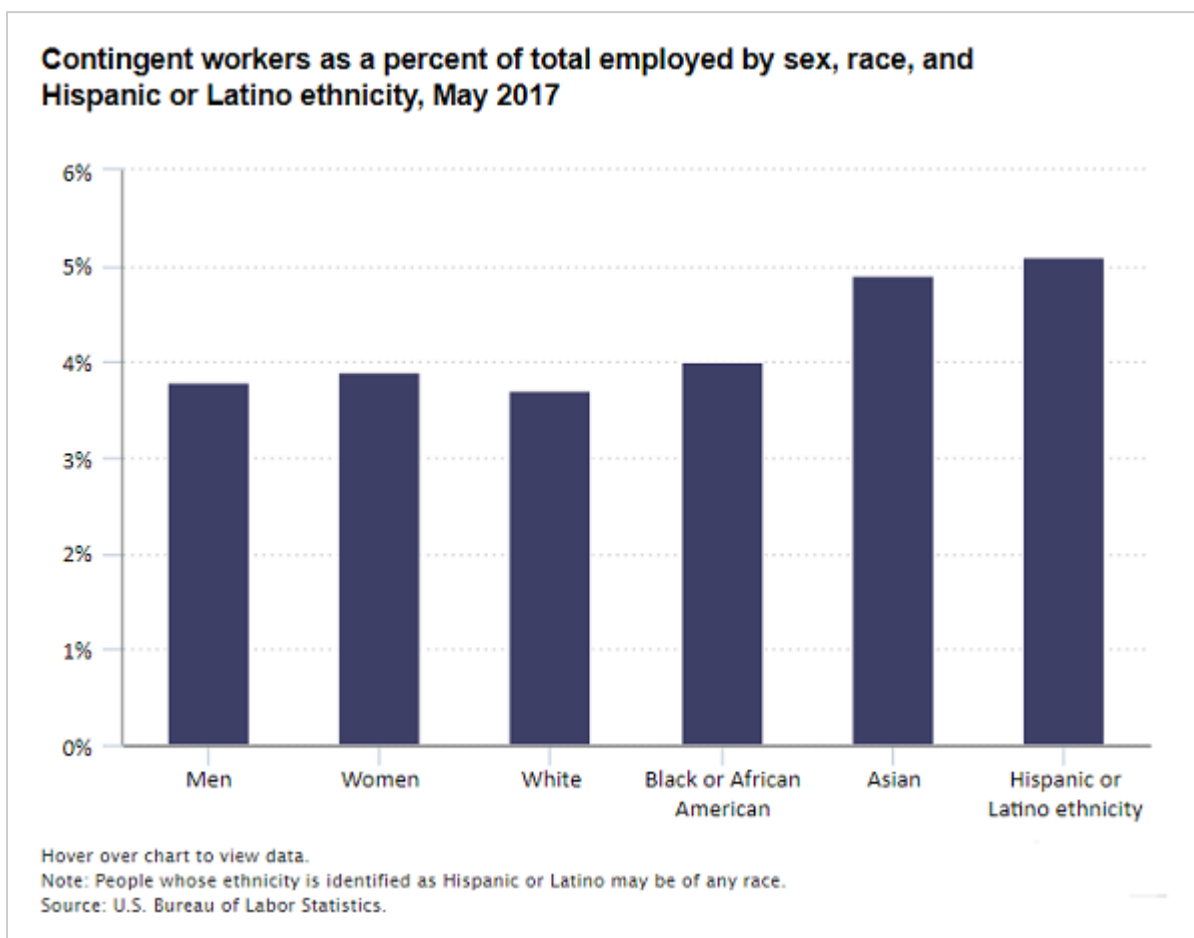
There were nearly 6 million contingent workers in 2017

In May 2017, there were 5.9 million contingent workers, or workers who did not expect their jobs to last. These workers represented 3.8 percent of U.S. employment. In February 2005, the last time the survey was conducted, 4.1 percent of the employed were contingent workers. In February 1995, the first year the survey was conducted, the comparable figure was 4.9 percent. The overall characteristics of contingent workers in May 2017 were generally similar to those in earlier surveys.



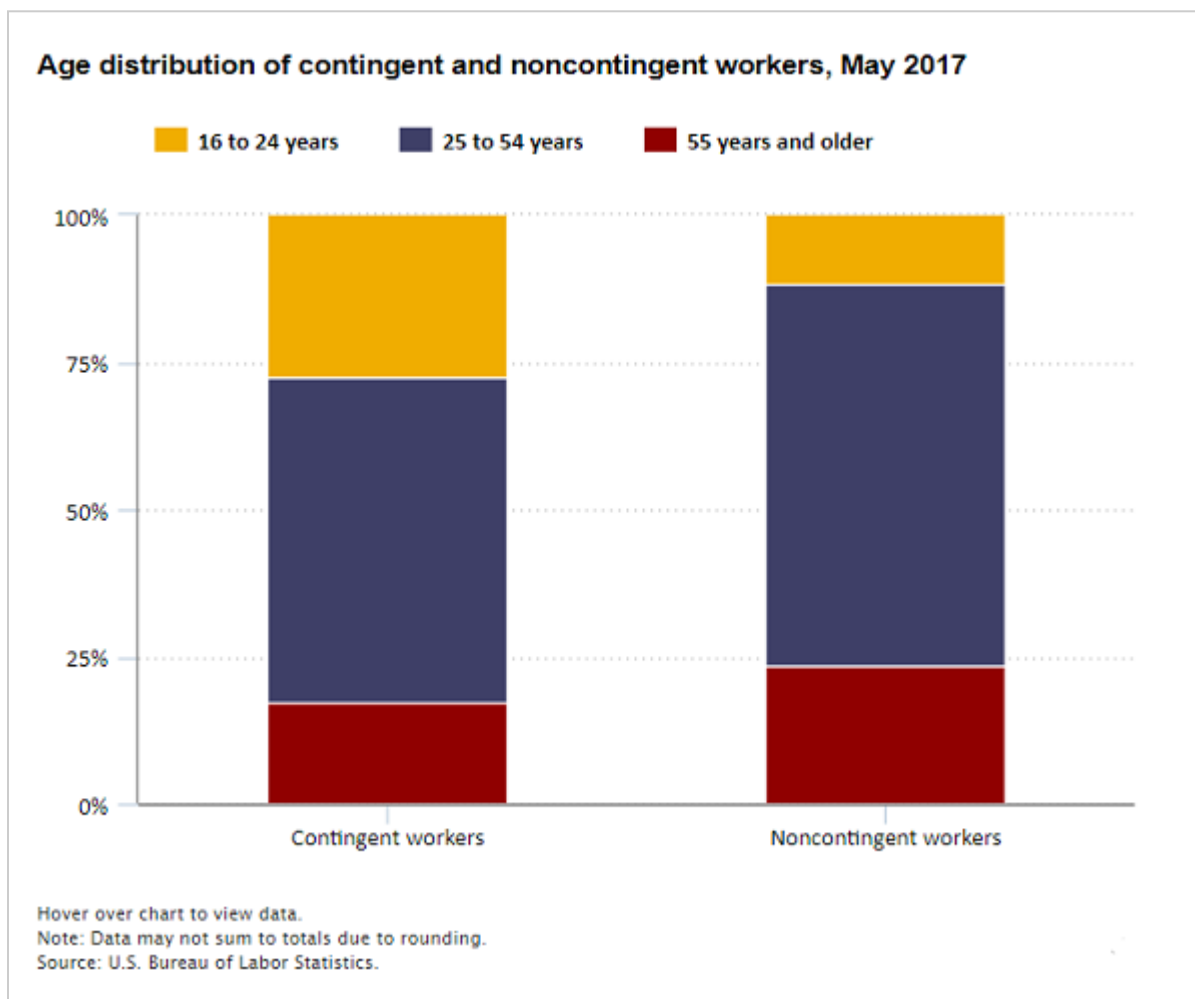
Men and women were about equally likely to be contingent workers

In past surveys, women were slightly more likely to be contingent workers than men. However, men and women were about equally likely to be contingent workers in May 2017. Asian and Hispanic workers were slightly more likely to be contingent workers than White and Black workers in May 2017.



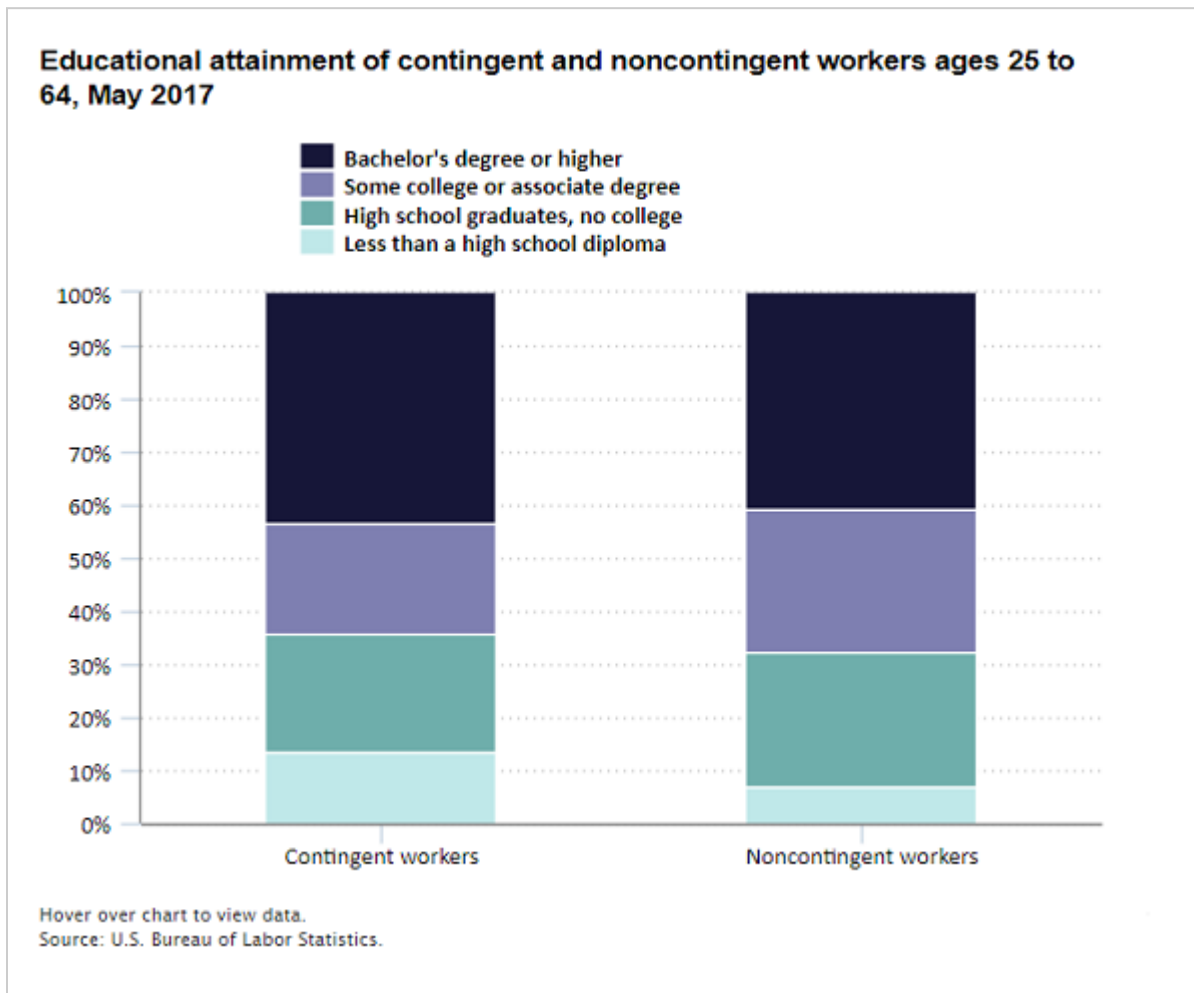
Contingent workers tend to be younger than noncontingent workers

Contingent workers were more than twice as likely as noncontingent workers to be under 25 years old (28 percent versus 12 percent). Of these young workers, 3 in 5 contingent workers were enrolled in school, compared with fewer than 2 in 5 youth among noncontingent workers.



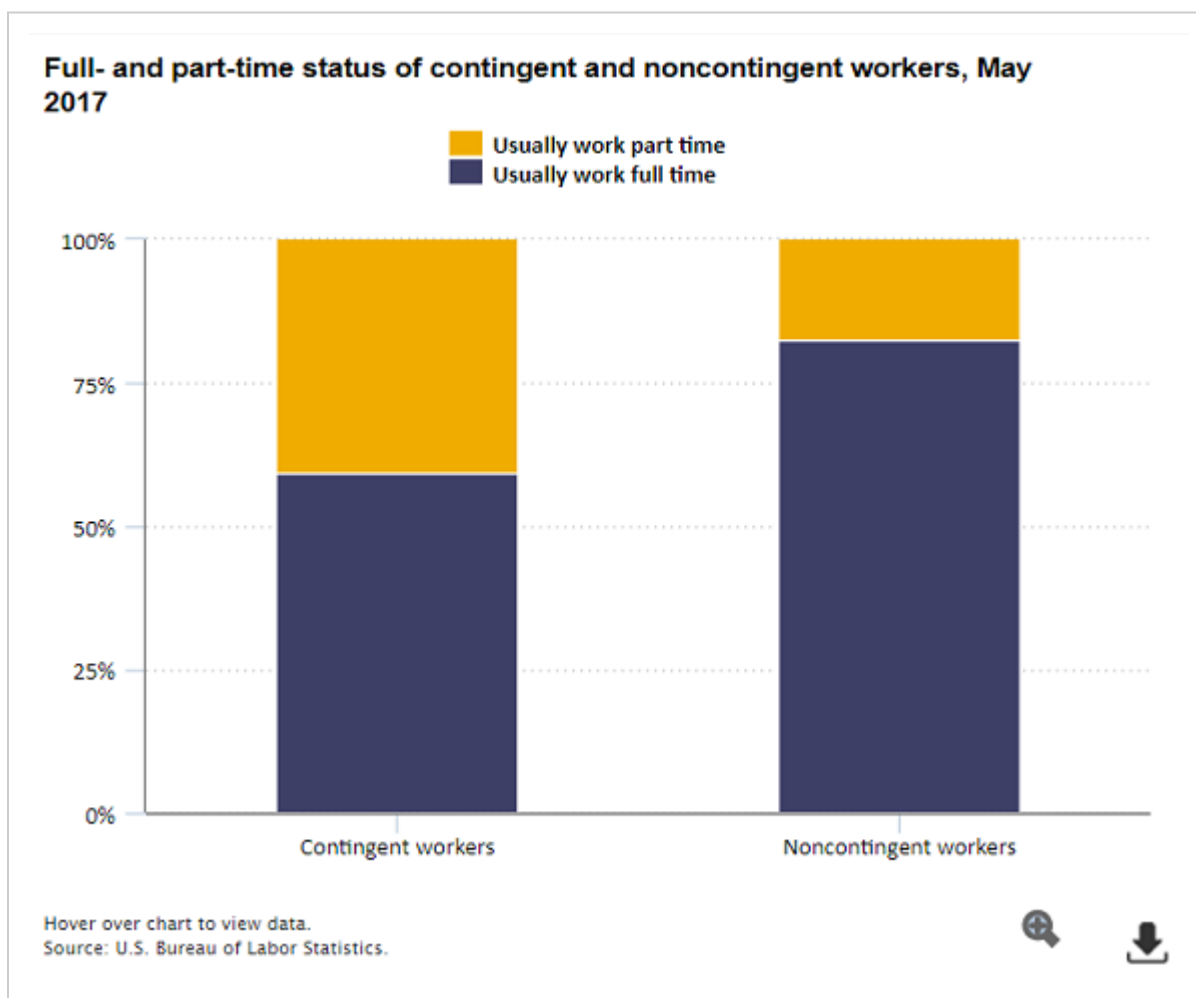
Contingent workers ages 25 to 64 were found at all levels of educational attainment

As in past surveys, contingent workers ages 25 to 64 were distributed across all levels of educational attainment. Contingent workers were about twice as likely as noncontingent workers to have less than a high school diploma (14 percent, compared with 7 percent). Contingent workers were slightly more likely to hold at least a bachelor's degree (44 percent, compared with 41 percent).



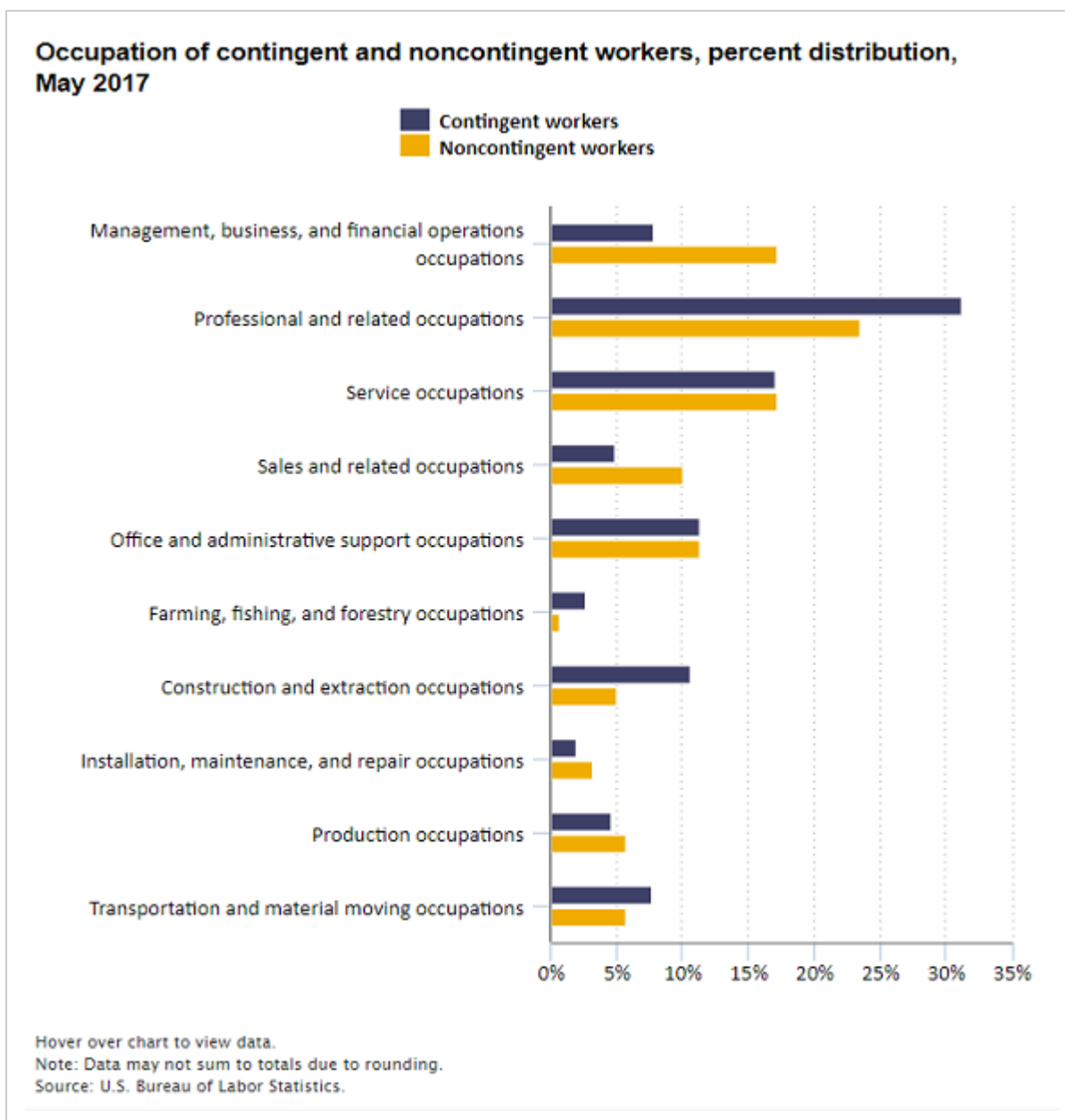
Contingent workers were more likely than noncontingent workers to be employed part time

In May 2017, about 2 in 5 contingent workers worked less than 35 hours per week, compared with fewer than 1 in 5 noncontingent workers. However, the vast majority of part-time workers (91 percent) were not employed in contingent arrangements.



Contingent workers can be found in all major occupational groups

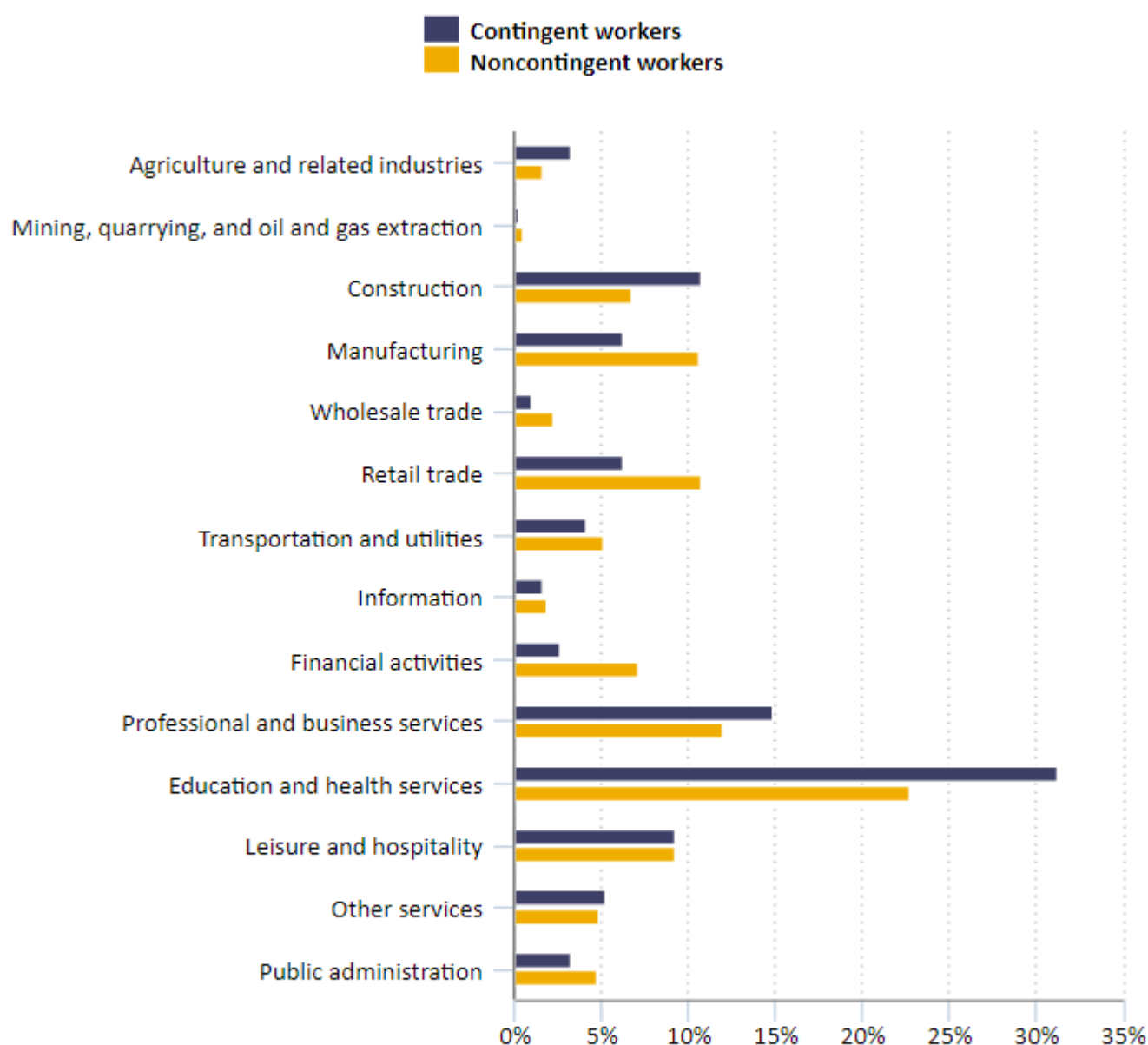
As in previous surveys, contingent workers were distributed throughout the major occupational groups. In May 2017, contingent workers were more likely to work in construction and extraction occupations (11 percent) than their noncontingent counterparts (5 percent). Nearly one-third of contingent workers were employed in professional and related occupations, compared with one-fourth of noncontingent workers. Contingent workers were less likely to be employed in management, business, and financial operations occupations (8 percent) than were noncontingent workers (17 percent) in May 2017.



One in three contingent workers were in the education and health services industry

About one-third of contingent workers were employed in the education and health services industry, compared with roughly one-fourth of noncontingent workers. Contingent workers also were more likely than noncontingent workers to be employed in the agriculture and construction industries. Contingent workers were less likely to work in retail trade and manufacturing.

Industry of contingent and noncontingent workers, percent distribution, May 2017



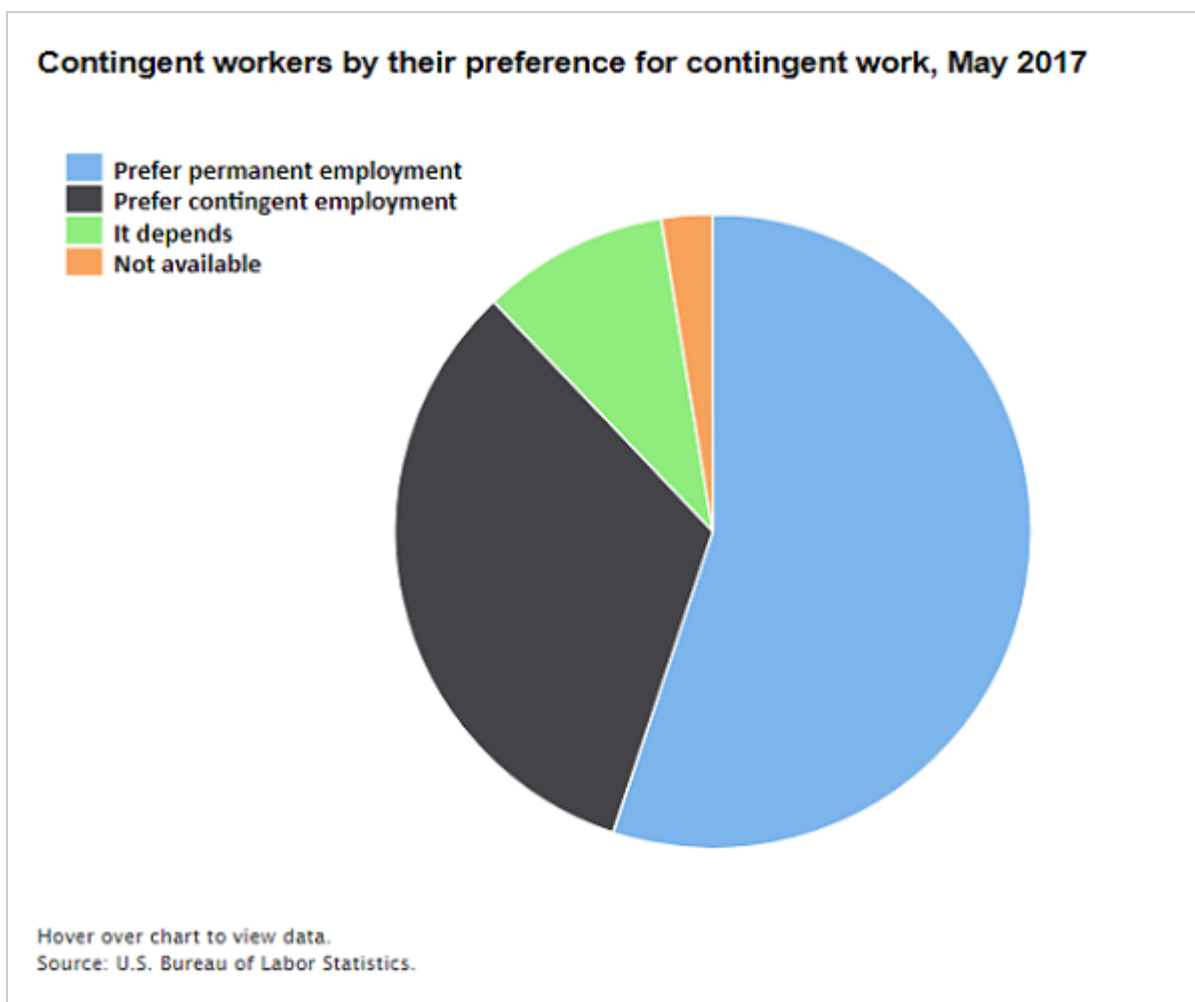
Hover over chart to view data.

Note: Data may not sum to totals due to rounding.

Source: U.S. Bureau of Labor Statistics.

Just over half of contingent workers would have preferred a permanent job

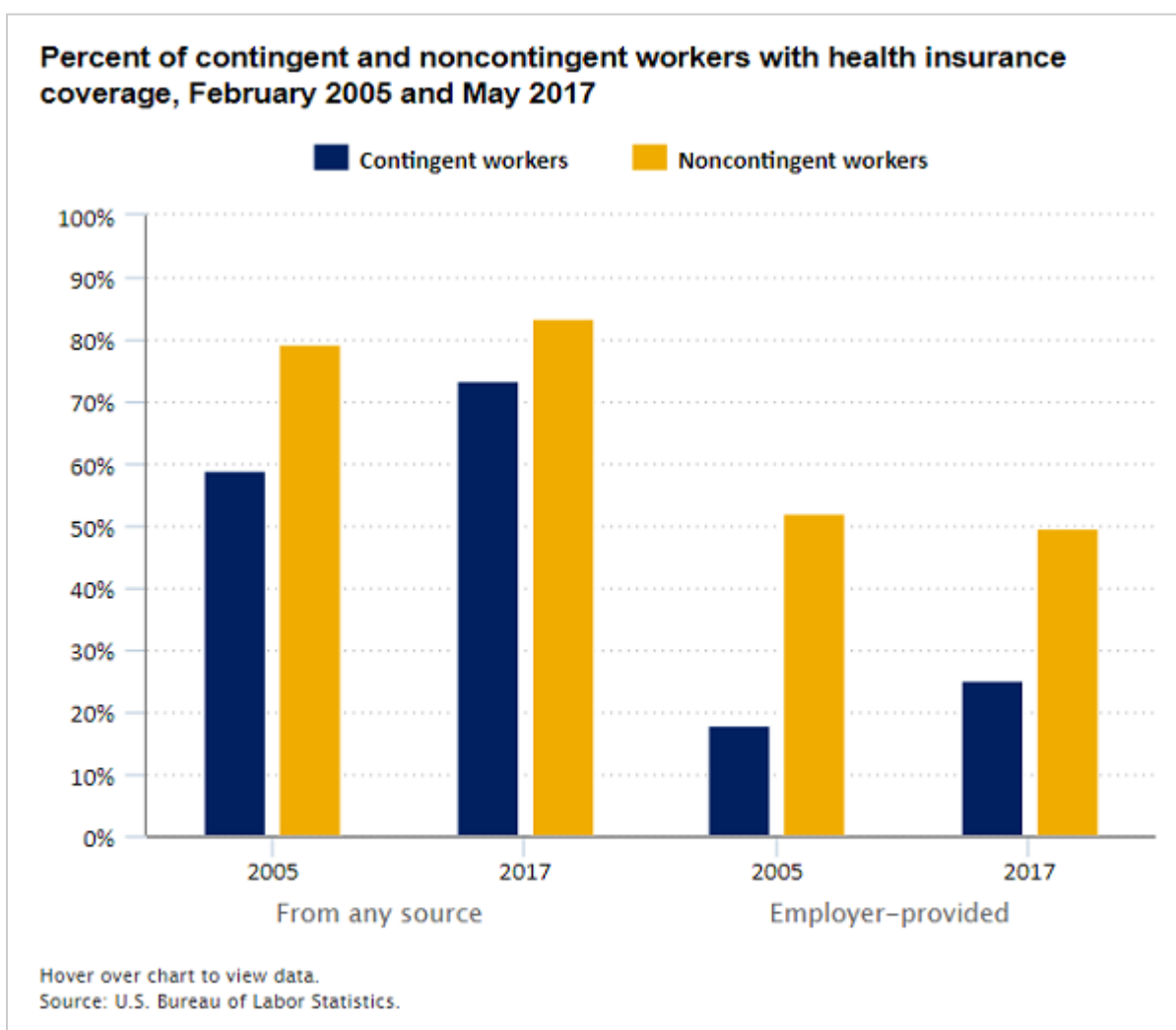
More than half (55 percent) of contingent workers would have preferred a permanent job in May 2017, while one-third said they preferred their contingent employment arrangement. The remainder expressed no clear preference. The share of contingent workers who would have preferred a permanent job was about the same as in past surveys.



Contingent workers were less likely than noncontingent workers to have health insurance

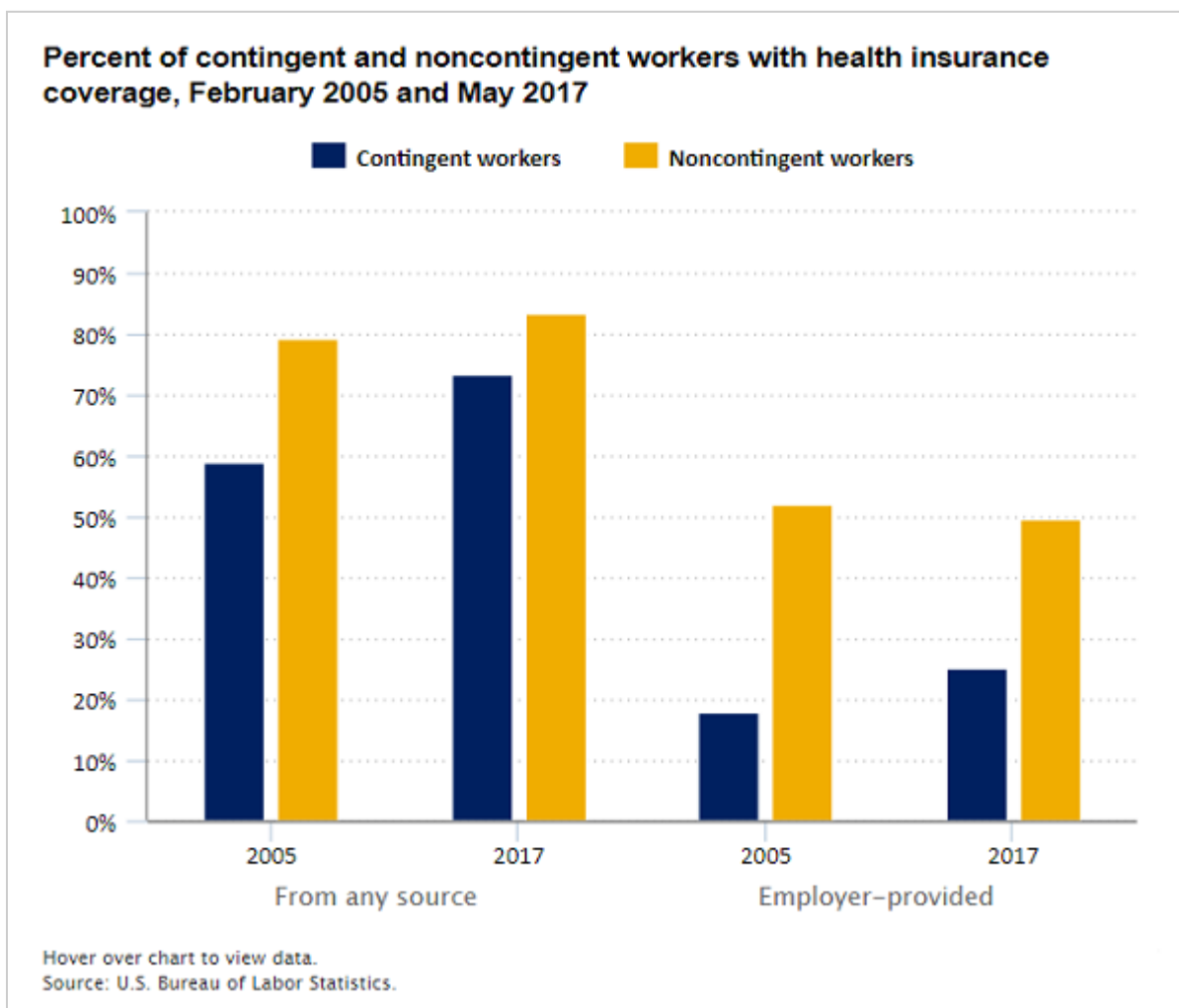
Overall, contingent workers were less likely to have health insurance coverage from any source (73 percent) in May 2017 than were noncontingent workers (84 percent). The gap in health insurance coverage between contingent and noncontingent workers is smaller than it was in 2005.

Contingent workers were half as likely as noncontingent workers to be covered by employer-provided health insurance. One-fourth of contingent workers had employer-provided health insurance in May 2017, compared with half of noncontingent workers. Although most contingent workers did not receive health insurance from their employers, a substantial share—nearly 3 in 4—had health insurance from some source, including coverage from another family member's policy, through a government program, or by purchasing it on their own.



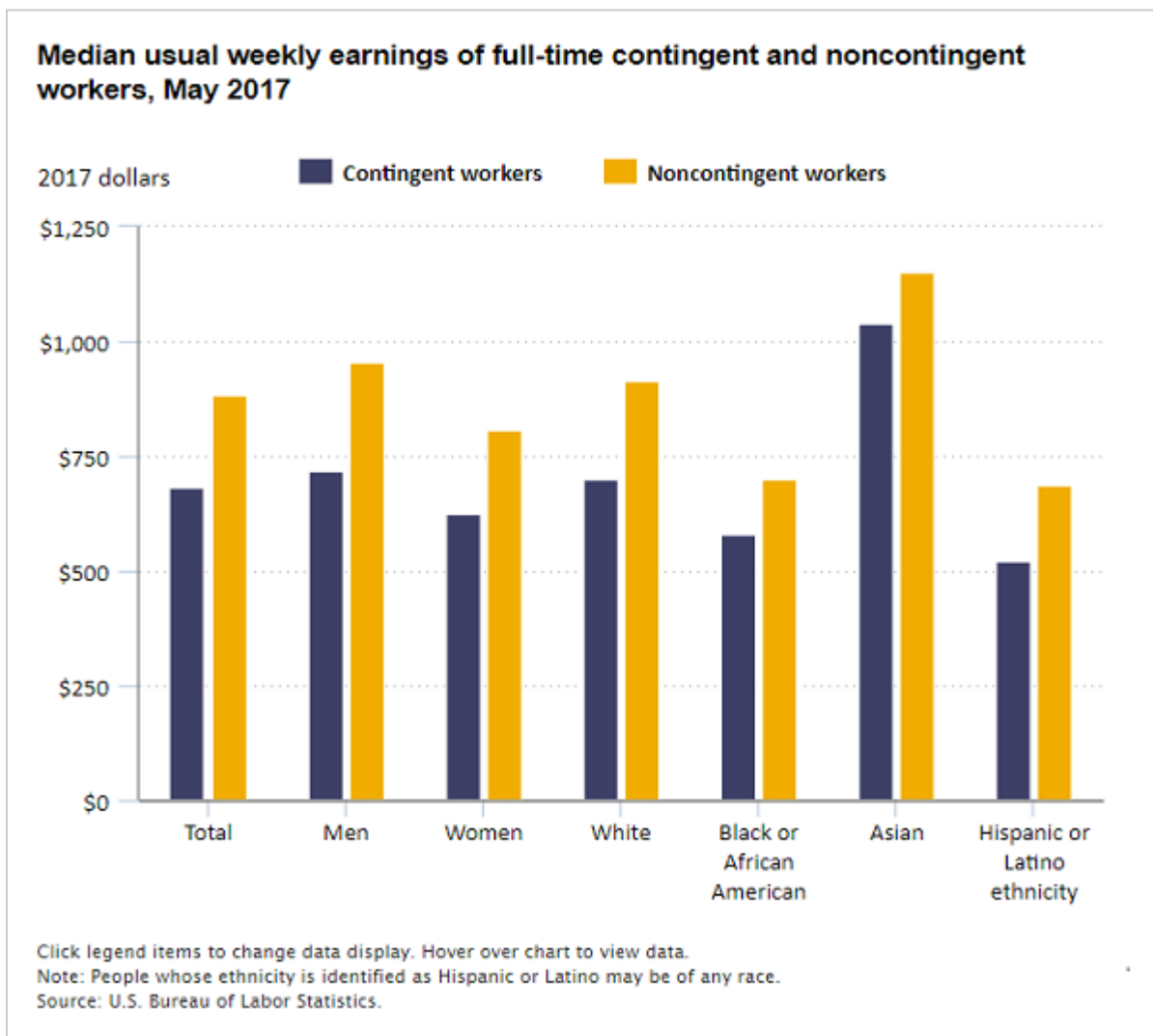
Contingent workers were half as likely as noncontingent workers to have access to retirement plans

Contingent workers were about half as likely as noncontingent workers to be eligible for employer-provided pension or retirement plans. In May 2017, 23 percent of contingent workers were eligible for employer-provided pension or retirement plans, compared with 48 percent of noncontingent workers. Overall, the proportion of contingent workers who actually participated in employer-provided plans (18 percent) also was much lower than that of noncontingent workers (43 percent).



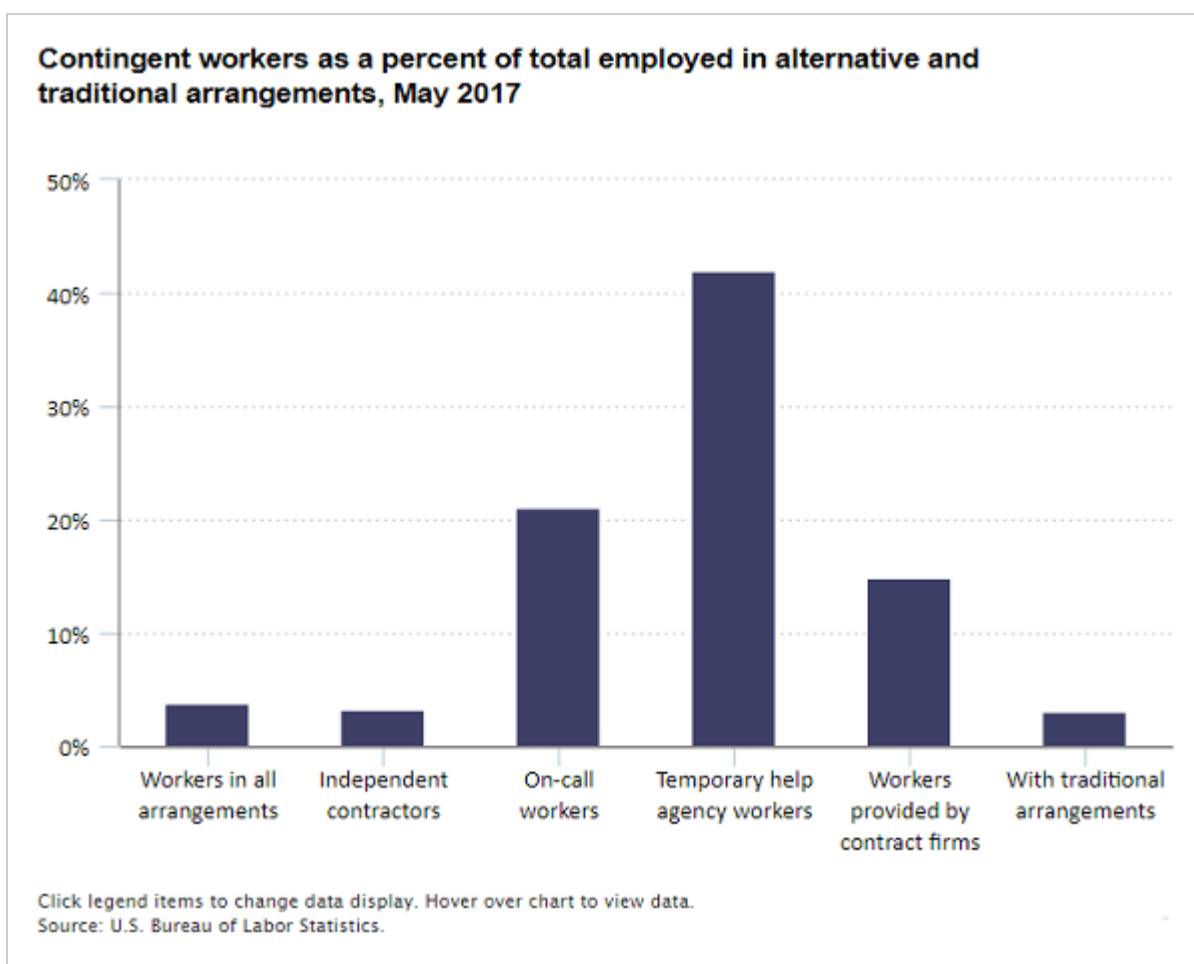
Contingent workers earned less per week than noncontingent workers

Contingent workers earned less than their noncontingent counterparts in May 2017. Among full-time workers, median weekly earnings for contingent workers (\$685) were 77 percent of those of noncontingent workers (\$886). For most worker groups, contingent workers earned less than noncontingent workers. There was little difference between the earnings of Asian contingent and noncontingent workers. The disparity in earnings likely reflects the many differences in the demographic characteristics of contingent and noncontingent workers and the jobs they hold.



Temporary help agency workers were more likely to be contingent workers

The May 2017 survey also collected information about workers who were in four alternative employment arrangements—people employed as independent contractors, on-call workers, temporary help agency workers, and workers provided by contract firms. Overall, 3.8 percent of the employed were contingent workers. Among those with alternative employment arrangements, temporary help agency workers were the most likely to also be contingent workers. In May 2017, 42 percent of temporary help agency workers were contingent workers, a smaller share than in past surveys. In addition, roughly 1 in 5 on-call workers was also a contingent worker, and 15 percent of contract company workers were also contingent workers. Only 3 percent of independent contractors were also contingent workers in May 2017—the same percentage as workers with traditional arrangements (those who are not in any of the alternative employment arrangements).



More information

Karen Kosanovich is an economist in the Division of Labor Force Statistics, U.S. Bureau of Labor Statistics. For questions about this Spotlight, email her at kosanovich.karen@bls.gov.

The May 2017 Contingent Worker Supplement data were collected in a special supplemental survey to the Current Population Survey (CPS), the monthly household survey that provides information on employment and unemployment in the United States. In the supplemental survey, employed people were asked questions about their main job—that is, the job in which they usually worked the most hours.

Learn more about [contingent workers and alternative employment arrangements](#).